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MEMORANDUM

November 15, 1955

TO: Admiral Walter S. DeLany  
Chairman, EDAC

FROM: Forrest D. Hockersmith  
Director, Export Policy Staff

SUBJECT: Molybdenum Wire (I/L 1658c)

The Joint Operating Committee met yesterday to review JOC Document No. 121 Supplement 1, in which BFC recommended that the interpretive note to molybdenum wire (I/L I item 1658c) which commits COCOM "to favorably consider, as accidents of definition, proposals to export wire which can be shown to have no strategic applications" should be revised to read:

"Wire of the following specifications is excepted from the above definition: fully annealed wire, of any length, of a diameter less than 0.5 mm with an elongation factor not greater than 5%."

BFC also recommended approval of the retreat positions previously set forth in Section V, paragraph 2, of JOC Document No. 121.

Discussion in the committee indicated that: (1) the proposal is identical with that originally submitted to JOC by BFC in June 1955, except for the addition of "fully" preceding "annealed"; (2) it was approved by the BFC interagency technical task group comprising representation from Defense, State, MDAC, ICA, CIA, BFC, BLSA and National Bureau of Standards; (3) from the technical viewpoint the words "fully annealed" are necessary because American producers do not uniformly interpret the word "annealed"; (4) the technical task group did not review again the retreat positions previously proposed in June; (5) the proposal would categorize as strategic some of the molybdenum wire involved in the Austrian Plansee cases pending licensing by Treasury Department; (6) it is not known how these specifications would relate to or affect license/shipments of molybdenum wire from the Netherlands and Sweden to the Soviet Bloc; and (7) the technical experts are still working on the redefinition or clarification of tungsten wire, but progress is slow due to the greater complexity of the tungsten situation.

With respect to U.S. export controls, BFC pointed out that the proposal carries little practical significance inasmuch as no export applications for molybdenum wire for the Bloc have been received or are anticipated. With respect to COCOM controls, it was generally agreed that our objective is to achieve uniform interpretation and implementation by the cooperating countries in accordance with the U.S. proposed specifications. This objective might be accomplished by either of two courses: (a) submitting the proposal to COCOM for negotiation as a redefinition and substitute for the present interpretative note to item 1658c, or (b) submitting a document to COCOM for purposes of clarification, explaining that this

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U.S. interpretation and asking other PC's to advise the USDEL whether or not they will take the same interpretation. State and MDAG felt the latter course was more desirable since it does not require formal COCOM negotiation, and also felt that the USDEL should have discretionary authority to check the U.S. proposal beforehand with the Netherlands and/or Sweden before submitting it to COCOM.

Accordingly, the Acting Chairman of JOC, with concurrence of all members, recommended that:

1. The proposed specifications should be confirmed as the official U.S. interpretation of the non-strategic area of molybdenum wire for use in connection with U.S. security export controls. However, no change in USMESL is necessary or should be made unless COCOM makes a change in the I/L item.

2. USDEL should be instructed to take action to secure uniform interpretation and implementation by COCOM PC's in accordance with the U.S. official interpretation. USDEL should have discretionary authority as to the method of achieving this objective, and as to whether bilateral discussions of the proposal should be had with the Netherlands and/or Sweden prior to submitting the U.S. proposal to COCOM. However, bilaterals should not be permitted to delay COCOM action unduly.

3. A report of these JOC actions should be transmitted to the Chairmen of ECAC and the Executive Committee for their information and for such use as may be appropriate in connection with the problem of transaction control licenses by Treasury Department.

4. No retreat or alternative proposals should be authorized at this time. However, this would not preclude JOC from reviewing the proposal again should this become necessary for important policy or other substantive reasons.

This represents advance notification to you of the JOC actions on this subject pending issuance of the official JOC meeting report, a copy of which will be transmitted to you in due course.

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